



FLY FRESNO

FRESNO YOSEMITE INTERNATIONAL AIRPORT

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Noah Lagos, A.A.E.
Director of Transportation
City of Fresno

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Interview with Noah Lagos

Halley Cornell from The Business Journal recently sat down with Noah Lagos to discuss a federal grant that could financially assist in the development of new air service for Fresno Yosemite International Airport (FYI). The following is an excerpt from the June 27, 2003 issue of The Business Journal. Cornell writes:

Fresno Yosemite International Airport and the City of Fresno are pursuing a federal grant that might allow them to attract a new low-fare carrier. The agencies are asking for \$1 million of a \$20 million funding package provided through the U.S. Department of Transportation's Small Community Air Service Development Program.

According to Noah Lagos, the city's director of transportation, the money would be used as a subsidy to cover start-up and other costs for a carrier agreeing to open in the market. "The airport already has verbal confirmation from an unnamed airline that if the grant proposal succeeds, they are ready to open shop," Lagos said.

But securing the funding, which would include a 10 percent private sector match, may prove to be difficult. Last year, 179 communities seeking a \$142.5 million in funding fought for the grant money. Forty grants ranging from Bismarck, North Dakota's \$1.6 million to Abilene, Texas' \$85,000 were awarded.

Cornell continued:

Lagos said it has a strong case for the funding because [Fresno] is a traditionally underserved community that is not able to compete on a fare-parity basis with surrounding airports. A low-fare carrier here would stimulate more parity, and a partner airline is ready to take the leap, he said.

If the airport is successful in garnering the funds, a formal operating agreement based on the number of flights, level of service and other logistics would be drawn up.

"The funding guarantees that they would have no risk coming into the market," Lagos said. "It pays for them to get established and would defray any operating costs up to the level of the subsidy."

The \$1 million price tag, additional matching funds and marketing funds put forth by the airport were negotiated with the interested airline, he said. Talks have been in the works for months.

"There are not a lot of funds, and there are a lot of communities vying for them, but I think we have a good story to tell Washington," Lagos said.

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Robert Benson, TSA
is the Federal Security Director
for Fresno, Visalia, Bakersfield,
Inyo Kern Airports

*"...we must always
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free as possible."
Bob Benson, TSA*

*FYI's list of non-stop routes,
showing direct flights with jet
service to and from Fresno.*

Hassle Free Check Points

As you realize by now, the Fresno airport has rolled out a federal checkpoint under the Transportation Security Administration (TSA). Utilizing the training received, the Fresno Yosemite International Airport's passenger-screening checkpoints are now under the control of the TSA. In this region are three additional airports including Inyokern (IYK), Bakersfield (BFL) and Visalia (VIS). Fresno was the first on October 15, 2002.

TSA's office in Fresno is working towards being fully operational and staffed. "I am excited to have such an experienced and professional team on board at all of our locations," said Bob Benson, Federal Security Director for the region.

Benson encourages all TSA personnel to get to know their peers, supervisors and the airport and airline personnel they are working with. "Being able to quickly contact the right resources could make the difference in any type of crisis situation," Benson added.

Benson stresses the partnership of TSA working with the airlines and airports to provide excellent customer service to the traveling public while continually focusing on the primary mission of security.

Benson sees unique challenges and benefits to working in any of these airports. "Of course we aren't LAX or SFO, but many of our passengers will be connecting to flights through those airports. Most of these passengers choose to fly because they don't want to drive. We must always strive to make the process as hassle free as possible."

In March of this year, TSA moved from the Federal Department of Transportation to the newly created Department of Homeland Security. Although the change is ongoing, this consolidation of similar agencies working together for the defense of the homeland provides for better communication and sharing of resources.

TSA in Fresno is composed of a dynamic group of individuals from a wide variety of backgrounds. They have embraced the challenge of providing security to the public traveling by air and look forward to continuing to provide the excellent customer service that Fresno has come to expect. TSA looks forward to meeting the challenge of balancing security requirements while maintaining a friendly face that encourages the public to use Fresno as a gateway for their air travel needs.

Route	Airline	Equipment	Frequency/Day
• Dallas	American Airlines	Jet	3
• Denver	United Express	Jet	3
• Las Vegas	Allegiant, United Express	Jet/Turboprop	4
• Los Angeles	United Express, American Eagle	Jet/Turboprop	18
• Phoenix	America West Express	Jet	5
• Portland	Horizon	Jet	1
• Salt Lake City	Delta Connection	Jet	4
• San Francisco	United Express	Jet/Turboprop	7
• Seattle	Horizon	Jet	3
Total			48/Day

Steady Traffic Flow at FYI Keeps Airlines Adding Flights

Quite often passengers ask, "Why doesn't Fresno Yosemite International Airport have low fares?" As much as staff at FYI would like to guarantee that airfares from Fresno were the lowest in comparison with our large neighbors to the north and south, the airlines serving FYI determine the fares, not the airport. When seats on Allegiant Air, American Airlines, America West Express, Horizon Air, and SkyWest are close to filled, the answer is as easy as supply and demand.

There is a cost to operate each aircraft – fuel, aircraft lease, staff expenses – that determine the minimum an airline must charge to break-even on the flight. When there are few available seats, the fare increases. When seats are not filled, the airline will lower the price in order to fill the plane. Of course, airlines are a for-profit business, so that figure is calculated as well. This may over simplify the answer, but airlines can only afford to serve communities where they can not only pay their expenses, but also make a profit like any successful business.

Part of the reason that FYI did not lose carriers after the tragedy of 9.11 was that airlines needed to put aircraft on profitable routes – only! For example, San Francisco lost more than 25 percent of its aircraft seats and has not recovered from that loss. Just when the industry began to recover from the impact of 9.11, the war in Iraq and the threat of the SARS virus created a greater strain on an already volatile industry. In contrast, Fresno airport has added aircraft, destinations, and seat capacity (see chart below).

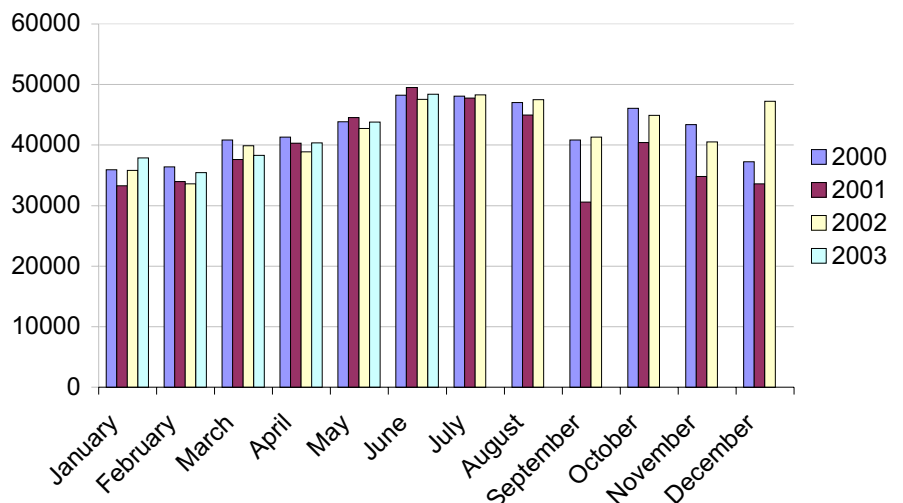
Observing the traffic for 2002 and the first half of 2003, FYI is on a steady upward trend. However, nationally we see a different picture developing. According to aviation specialist, The Boyd Group, they predict "the decline of 2002 to continue through 2003 with national passenger traffic beginning to rebound only in 2004". These same experts are cautioning rates of growth will be well below 3%, thereby making a recovery from 2000 passenger levels a distant goal that may be "out of arms reach until 2005-2006."

FYI continues to add new flights and destinations for the convenience of our customers. In July, American Airlines added a third non-stop jet to Dallas/Ft Worth. Horizon Air added a third non-stop jet to Seattle. Skywest/United Express added a third non-stop jet to Denver. And America West Express continues to upgrade their Phoenix non-stops from the 50 to the 70-seat jets.

Valley passengers continue to Fly Fresno. Check Fresno fares first – often comparable to the big, busy airports. We believe you will find that FYI can provide the best in location, convenience, and friendly service.

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Passenger Enplanements



Department of Transportation Fresno Yosemite International Airport Aircraft Disaster Management Exercise

The Fresno Yosemite International Airport conducted its tri-ennial Aircraft Disaster Management Exercise (AirEx 2003) in the Spring of 2003. This exercise was conducted in conjunction with a Regional Emergency Disaster Exercise (Spring Ex 2003).

The Exercise involved multiple terrorist scenarios throughout the City of Fresno. It incorporated a terrorist bomb threat with hostages and hazardous material involving a hijacked Fresno Area Express Bus that arrived at FYI to meet a hijacked aircraft which then would have flown the would be hijackers out of Fresno.

This exercise tested all city, county, state, and federal agency response procedures, notification procedures and interaction with emergency personnel. It also served to reinforce and build on the training provided to first responders by allowing them to test their plans, procedures and training.

This was an excellent opportunity to gain additional experience with newly acquired equipment, such as new portable radios with multiple agency frequencies and the Airport Public Safety Command Vehicle. Airport Personnel made better use of the Incident Command System than in previous exercises, which showed in their communications and organization.

Emergency response is not taken lightly here at FYI. We train and prepare for disasters we pray never occur.



*Dave Sandoval,
Public Safety Manager*

"Emergency response is not taken lightly here at FYI. We train and prepare for disasters we pray never occur."



Fresno S.W.A.T. prepares to respond.

2nd Annual FedEx & United Way Aircraft Pull

FedEx and the Fresno County United Way, along with Fresno Yosemite International Airport, are gearing up for the second annual Aircraft Pull. Last year nearly a dozen teams turned out for the event. The Aircraft Pull is an exciting competition that tests strength, encourages teamwork, and is a great way to have fun while raising money for the United Way of Fresno County.

A rope will be attached to a FedEx Boeing 727, which weighs in excess of 86,000 pounds. Each team of 25 has the opportunity to compete in the following two categories:

1. Fastest pull
2. Least amount of team members that can pull the plane.

Team members receive tee shirts, team photo, and the bragging rights over having conquered a Jet!

All proceeds benefit the United Way of Fresno County and the 80 locally endorsed organizations. United Way exists to focus and maximize resources to build a healthier community. By mobilizing individuals and organizations the United Way strives to improve our community. United

Way's focus is to ensure safe neighborhoods for children and families as well as to improve the academic achievement of children and youth.

This year, the 2nd Annual Aircraft Pull will take place October 18th. Now is the time to sign your team up! Teams are made up of 25 individuals. 20 people pull the FedEx Boeing 727, 1 person coaches, and 4 people are alternatives. To sign up, contact Alica Brady, United Way of Fresno County at 243-3664 or visit www.unitedwayfresno.org



Competition is fierce

"2nd Annual Aircraft Pull will take place October 18th. Now is the time to sign your team up!"



Local Fresno State University fraternity



Fresno FedEx team

RSVP Fresno, Madera & Merced Counties

Since the early 1980's our local Retired and Senior Volunteer Program (RSVP) has provided Fresno Yosemite International Airport with nearly 40 volunteers who operate our information desk. The volunteers work seven days a week 8:00 am to 8:00 pm providing incoming and outgoing passengers with information ranging from directions and brochures for Yosemite National Park to assistance finding airline counters.

FYI would like to thank our RSVP ambassadors who continue to welcome, greet and assist San Joaquin Valley passengers.



Representing RSVP from left to right: Al Dennis, Vic Neufeld, Maude Norris, Lou Lammers, Cliff Gartin, Cy Farrell, Bud Garcia, Betty Kallich, and Lilly and Roy Kato.



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